

SECOND REGULAR SESSION

SENATE BILL NO. 1042

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR KENNEDY.

Read 1st time February 13, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

4899S.011

AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to assessment of real property.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 137.115, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 137.115, to read as follows:

137.115. 1. All other laws to the contrary notwithstanding, the assessor
2 or the assessor's deputies in all counties of this state including the city of St.
3 Louis shall annually make a list of all real and tangible personal property taxable
4 in the assessor's city, county, town or district. Except as otherwise provided in
5 subsection 3 of this section and section 137.078, the assessor shall annually
6 assess all personal property at thirty-three and one-third percent of its true value
7 in money as of January first of each calendar year. The assessor shall annually
8 assess all real property, including any new construction and improvements to real
9 property, and possessory interests in real property at the percent of its true value
10 in money set in subsection 5 of this section, **except that in the case of a**
11 **reassessment of homestead property, such assessed value shall not**
12 **result in an increase in assessed value greater than twenty percent**
13 **when compared to the prior year assessment to the substantially**
14 **identical real property held by the identical owner or owners.** The
15 assessor shall annually assess all real property in the following manner: new
16 assessed values shall be determined as of January first of each odd-numbered
17 year and shall be entered in the assessor's books; those same assessed values
18 shall apply in the following even-numbered year, except for new construction and
19 property improvements which shall be valued as though they had been completed
20 as of January first of the preceding odd-numbered year. The assessor may call

21 at the office, place of doing business, or residence of each person required by this
22 chapter to list property, and require the person to make a correct statement of all
23 taxable tangible personal property owned by the person or under his or her care,
24 charge or management, taxable in the county. On or before January first of each
25 even-numbered year, the assessor shall prepare and submit a two-year
26 assessment maintenance plan to the county governing body and the state tax
27 commission for their respective approval or modification. The county governing
28 body shall approve and forward such plan or its alternative to the plan to the
29 state tax commission by February first. If the county governing body fails to
30 forward the plan or its alternative to the plan to the state tax commission by
31 February first, the assessor's plan shall be considered approved by the county
32 governing body. If the state tax commission fails to approve a plan and if the
33 state tax commission and the assessor and the governing body of the county
34 involved are unable to resolve the differences, in order to receive state cost-share
35 funds outlined in section 137.750, the county or the assessor shall petition the
36 administrative hearing commission, by May first, to decide all matters in dispute
37 regarding the assessment maintenance plan. Upon agreement of the parties, the
38 matter may be stayed while the parties proceed with mediation or arbitration
39 upon terms agreed to by the parties. The final decision of the administrative
40 hearing commission shall be subject to judicial review in the circuit court of the
41 county involved. In the event a valuation of subclass (1) real property within any
42 county with a charter form of government, or within a city not within a county,
43 is made by a computer, computer-assisted method or a computer program, the
44 burden of proof, supported by clear, convincing and cogent evidence to sustain
45 such valuation, shall be on the assessor at any hearing or appeal. In any such
46 county, unless the assessor proves otherwise, there shall be a presumption that
47 the assessment was made by a computer, computer-assisted method or a
48 computer program. Such evidence shall include, but shall not be limited to, the
49 following:

50 (1) The findings of the assessor based on an appraisal of the property by
51 generally accepted appraisal techniques; and

52 (2) The purchase prices from sales of at least three comparable properties
53 and the address or location thereof. As used in this paragraph, the word
54 "comparable" means that:

55 (a) Such sale was closed at a date relevant to the property valuation; and

56 (b) Such properties are not more than one mile from the site of the

57 disputed property, except where no similar properties exist within one mile of the
58 disputed property, the nearest comparable property shall be used. Such property
59 shall be within five hundred square feet in size of the disputed property, and
60 resemble the disputed property in age, floor plan, number of rooms, and other
61 relevant characteristics.

62 2. Assessors in each county of this state and the city of St. Louis may send
63 personal property assessment forms through the mail.

64 3. The following items of personal property shall each constitute separate
65 subclasses of tangible personal property and shall be assessed and valued for the
66 purposes of taxation at the following percents of their true value in money:

67 (1) Grain and other agricultural crops in an unmanufactured condition,
68 one-half of one percent;

69 (2) Livestock, twelve percent;

70 (3) Farm machinery, twelve percent;

71 (4) Motor vehicles which are eligible for registration as and are registered
72 as historic motor vehicles pursuant to section 301.131, RSMo, and aircraft which
73 are at least twenty-five years old and which are used solely for noncommercial
74 purposes and are operated less than fifty hours per year or aircraft that are home
75 built from a kit, five percent;

76 (5) Poultry, twelve percent; and

77 (6) Tools and equipment used for pollution control and tools and
78 equipment used in retooling for the purpose of introducing new product lines or
79 used for making improvements to existing products by any company which is
80 located in a state enterprise zone and which is identified by any standard
81 industrial classification number cited in subdivision (6) of section 135.200, RSMo,
82 twenty-five percent.

83 4. The person listing the property shall enter a true and correct statement
84 of the property, in a printed blank prepared for that purpose. The statement,
85 after being filled out, shall be signed and either affirmed or sworn to as provided
86 in section 137.155. The list shall then be delivered to the assessor.

87 5. All subclasses of real property, as such subclasses are established in
88 section 4(b) of article X of the Missouri Constitution and defined in section
89 137.016, shall be assessed at the following percentages of true value:

90 (1) For real property in subclass (1), nineteen percent;

91 (2) For real property in subclass (2), twelve percent; and

92 (3) For real property in subclass (3), thirty-two percent.

93 6. Manufactured homes, as defined in section 700.010, RSMo, which are
94 actually used as dwelling units shall be assessed at the same percentage of true
95 value as residential real property for the purpose of taxation. The percentage of
96 assessment of true value for such manufactured homes shall be the same as for
97 residential real property. If the county collector cannot identify or find the
98 manufactured home when attempting to attach the manufactured home for
99 payment of taxes owed by the manufactured home owner, the county collector
100 may request the county commission to have the manufactured home removed from
101 the tax books, and such request shall be granted within thirty days after the
102 request is made; however, the removal from the tax books does not remove the tax
103 lien on the manufactured home if it is later identified or found. A manufactured
104 home located in a manufactured home rental park, rental community or on real
105 estate not owned by the manufactured home owner shall be considered personal
106 property. A manufactured home located on real estate owned by the
107 manufactured home owner may be considered real property.

108 7. Each manufactured home assessed shall be considered a parcel for the
109 purpose of reimbursement pursuant to section 137.750, unless the manufactured
110 home has been converted to real property in compliance with section 700.111,
111 RSMo, and assessed as a realty improvement to the existing real estate parcel.

112 8. Any amount of tax due and owing based on the assessment of a
113 manufactured home shall be included on the personal property tax statement of
114 the manufactured home owner unless the manufactured home has been converted
115 to real property in compliance with section 700.111, RSMo, in which case the
116 amount of tax due and owing on the assessment of the manufactured home as a
117 realty improvement to the existing real estate parcel shall be included on the real
118 property tax statement of the real estate owner.

119 9. The assessor of each county and each city not within a county shall use
120 the trade-in value published in the October issue of the National Automobile
121 Dealers' Association Official Used Car Guide, or its successor publication, as the
122 recommended guide of information for determining the true value of motor
123 vehicles described in such publication. In the absence of a listing for a particular
124 motor vehicle in such publication, the assessor shall use such information or
125 publications which in the assessor's judgment will fairly estimate the true value
126 in money of the motor vehicle.

127 10. Before the assessor may increase the assessed valuation of any parcel
128 of subclass (1) real property by more than fifteen percent since the last

129 assessment, excluding increases due to new construction or improvements, the
130 assessor shall conduct a physical inspection of such property.

131 11. If a physical inspection is required, pursuant to subsection 10 of this
132 section, the assessor shall notify the property owner of that fact in writing and
133 shall provide the owner clear written notice of the owner's rights relating to the
134 physical inspection. If a physical inspection is required, the property owner may
135 request that an interior inspection be performed during the physical
136 inspection. The owner shall have no less than thirty days to notify the assessor
137 of a request for an interior physical inspection.

138 12. A physical inspection, as required by subsection 10 of this section,
139 shall include, but not be limited to, an on-site personal observation and review
140 of all exterior portions of the land and any buildings and improvements to which
141 the inspector has or may reasonably and lawfully gain external access, and shall
142 include an observation and review of the interior of any buildings or
143 improvements on the property upon the timely request of the owner pursuant to
144 subsection 11 of this section. Mere observation of the property via a "drive-by
145 inspection" or the like shall not be considered sufficient to constitute a physical
146 inspection as required by this section.

147 13. The provisions of subsections 11 and 12 of this section shall only apply
148 in any county with a charter form of government with more than one million
149 inhabitants.

150 14. A county or city collector may accept credit cards as proper form of
151 payment of outstanding property tax or license due. No county or city collector
152 may charge surcharge for payment by credit card which exceeds the fee or
153 surcharge charged by the credit card bank, processor, or issuer for its service. A
154 county or city collector may accept payment by electronic transfers of funds in
155 payment of any tax or license and charge the person making such payment a fee
156 equal to the fee charged the county by the bank, processor, or issuer of such
157 electronic payment.

158 15. The provisions of this section and sections 137.073, 138.060 and
159 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first general
160 assembly, second regular session, shall become effective January 1, 2003, for any
161 taxing jurisdiction within a county with a charter form of government with
162 greater than one million inhabitants, and the provisions of this section and
163 sections 137.073, 138.060 and 138.100, RSMo, as enacted by house bill no. 1150
164 of the ninety-first general assembly, second regular session, shall become effective

165 October 1, 2004, for all taxing jurisdictions in this state. Any county or city not
166 within a county in this state may, by an affirmative vote of the governing body
167 of such county, opt out of the provisions of this section and sections 137.073,
168 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first
169 general assembly, second regular session and section 137.073 as modified by this
170 act, for the next year of the general reassessment, prior to January first of any
171 year. No county or city not within a county shall exercise this opt-out provision
172 after implementing the provisions of this section and sections 137.073, 138.060,
173 and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first general
174 assembly, second regular session and section 137.073 as modified by this act, in
175 a year of general reassessment. For the purposes of applying the provisions of
176 this subsection, a political subdivision contained within two or more counties
177 where at least one of such counties has opted out and at least one of such
178 counties has not opted out shall calculate a single tax rate as in effect prior to the
179 enactment of house bill no. 1150 of the ninety-first general assembly, second
180 regular session. A governing body of a city not within a county or a county that
181 has opted out under the provisions of this subsection may choose to implement
182 the provisions of this section and sections 137.073, 138.060, and 138.100, RSMo,
183 as enacted by house bill no. 1150 of the ninety-first general assembly, second
184 regular session, and section 137.073 as modified by this act, for the next year of
185 general reassessment, by an affirmative vote of the governing body prior to
186 December thirty-first of any year.

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